



January 25, 2007

TO: Transportation Authority of Marin Commissioners

FROM: Dianne Steinhauser, Executive Director

RE: Recommendation to Release for a Minimum 20-Day Comment Period an Amendment of the Revenues and Expenditures Element of the Strategic Plan Regarding Strategy 3.1, Major Roads and Related Infrastructure, Action, Agenda Item 11

Dear Commissioners:

### **Executive Summary**

The Measure A Expenditure Plan called for a Strategic Plan to provide a 20-year outlook on how local transportation sales will be allocated in the context of anticipated demands, timing, and other available revenues. The Measure A Strategic Plan, developed and adopted in June 2006, includes strategies for four areas of expenditure. Since the Strategic Plan was amended in November 2006, more Major Roads and Related infrastructure projects have demonstrated the ability to proceed in FY 2006-07 and in FY 2007-08, and are asking for more Measure A funds to be programmed out of the Major Road reserve. For FY 2006-07, Marin County is proposing to begin work on the Sir Francis Drake Boulevard Rehabilitation Project (Samuel Taylor to Platform Bridge). For FY 2007-08, San Rafael will begin construction on the Fourth Street West End Rehabilitation Project. As part of Strategic Plan Amendment No. 2, funding for the West and Central Planning Areas will increase to meet the projects' funding demand. After the Strategic Plan is amended, the TAM Board can then allocate the programmed funds if requested. The County will be requesting that allocation in February 2007; the City of San Rafael will not be requesting their allocation until FY 2007-08.

**Recommendation:** Staff recommends that the Board release for comment this amendment to the Strategic Plan's Revenue and Expenditure element at the Board's January 25, 2007 meeting and consider it for approval at the February 22, 2007 meeting, after adequately addressing any public comment.

### **Background**

The Measure A Expenditure Plan called for a Strategic Plan to provide a 20-year outlook on how local transportation sales will be allocated in the context of anticipated demands, timing, and other available revenues. The Measure A Strategic Plan, developed and adopted in June 2006, includes strategies for four areas of expenditure. Strategy 3, which includes Strategy 3.1 and 3.2, dictates how funds are allocated to maintain, improve, and manage Marin County's local transportation infrastructure, including roads, bikeways, sidewalks, and pathways.

The priorities in Strategy 3.1, dedicated specifically to Major Roads and Related Infrastructure, were originally established by the Technical Advisory Committee (TAC) and the Marin Public

Works Association (MPWA) and had been approved by the Board as part of the Strategic Plan programming. The project sponsors have continued developing project information for their project study reports and updating scope, cost and schedule information. TAM staff prepared estimates of project expenditures within the major roads sub-strategy for FY 2006-07 based on information available at the time. A total of \$114,133 was programmed in FY 2006-07 for projects in the West Marin Planning Area and \$2,000,000 in FY 2007-08 in the Central Marin Planning Area. In FY 2007-08, a total of \$3,772,422 was programmed for all five planning areas. Note that since so little funds were programmed for Major Roads in FY 2006-07, an unprogrammed balance of \$3,707,578 remain at the end of FY 2006-07.

With updated information now being submitted by project sponsors, there is an inadequate level of programmed funding for FY 2006-07 for several of the planned projects. TAM amended the Revenue and Expenditure Element for Strategy 3.1 as part of Strategic Plan Amendment No. 1 on November 16, 2006 to allow the allocations of Measure A funds in the amount of \$250,000 and \$72,000 to the Cities of Mill Valley and Novato in FY 2006-07, respectively. This second amendment will address increased needs for the City of San Rafael and for the County of Marin.

## **Discussion**

Since the Strategic Plan was amended in November 2006, more projects have demonstrated the ability to proceed in FY 2006-07 and in FY 2007-08. For FY 2006-07, Marin County is proposing to begin work on the Sir Francis Drake Boulevard Rehabilitation Project (Samuel Taylor to Platform Bridge). For early FY 2007-08, San Rafael will begin construction on the Fourth Street West End Rehabilitation Project. The Strategic Plan currently has insufficient funds programmed for these two projects. As part of Strategic Plan Amendment No. 2, funding for the West and Central Planning Areas will increase as described below.

Per the Strategic Plan amendment policy, an amendment to the Strategic Plan can be recommended as part of a regularly scheduled Board meeting. The amendment can be approved at the following Board meeting after allowing time for additional public comment. Therefore, this second amendment request is presented to the TAM Board at the January 25, 2007 meeting and will be recommended for approval at the February 22, 2007 meeting.

## ***Marin County's Sir Francis Drake Boulevard Rehabilitation Project***

Marin County presented the project scope for the Sir Francis Drake Project to the Technical Advisory Committee (TAC) on January 18, 2007 and requested funds for preliminary design, environmental work, final design, and construction management. The TAC supported the project, but passed a motion to fund only preliminary design, environmental work, contingency, and project management at this time. The TAC encouraged Marin County to return to another TAC meeting when environmental work is complete and the construction scope is better defined, before the TAC recommends the commitment of additional funds for final design and construction management. The TAC recommended funding \$454,000 to Marin County to start work on the Sir Francis Drake Project.

The Strategic Plan currently has \$114,133 programmed in FY 2006-07 for this project. An additional \$339,867 would be needed in FY 2006-07 to allow this allocation to be realized. The Strategic Plan would be amended by moving \$339,867 from the unprogrammed balance to the West Marin Planning Area in FY 2006-07. Concurrent with this agenda item, Marin County is requesting an allocation of the amount of \$114,133, which is currently available in the Strategic Plan. The allocation of the currently available funds will allow Marin County to proceed with starting preliminary design and environmental work. After the adoption of Amendment No. 2,

Marin County will be requesting an allocation in February for the additional funds of \$339,867 to complete the funding needs in order to do work up to the environmental phase.

***San Rafael's Fourth Street West End Rehabilitation Project (Fourth Street Project)***

The City of San Rafael is in the process of rehabilitating the west end of Fourth Street, which is an integral part of the retail core of Downtown San Rafael and has major retail pedestrian traffic. San Rafael presented scope and budget details to the TAC on November 16<sup>th</sup>, 2006 and January 18, 2007. San Rafael explained that the original project called for pavement resurfacing and other basis street improvements. After extensive public outreach, the project had expanded to a comprehensive corridor improvement effort to include sidewalk amenities, street trees planting, lighting upgrades, and a Class III bicycle route. As a result of the additional improvements, the budget increased from approximately \$3 million to \$4.5 million. San Rafael will be contributing gas tax funds to cover a portion of the shortfall but will need an additional \$1,000,000 in Measure A funds from the Major Roads category in FY 2007-08.

As noted above, the Strategic Plan currently has \$2 million programmed in the Central Marin Planning Area for this project. Amendment No. 2 would increase this amount to \$3 million by moving \$1 million from the unprogrammed balance. Note that these funds will now be programmed in FY 2007-08 and FY 2008-09, in lieu of all of funds previously being in FY 2008-09.

Attached is a revised Revenues and Expenditure Plan for Strategy 3 of the Strategic Plan, illustrating an increased programming level of \$454,000 for Marin County in FY 2006-07 and \$3,000,000 for San Rafael in FY 2007-08.

**Financial Impact**

Amending the Strategic Plan to move funds from the unprogrammed balance in FY 2006-07 and FY 2007-08 will not adversely impact the Strategic Plan cash flow. Additional funds will need to be addressed in TAM's annual budget, but this will not constrain the Board from allocating funds to these projects as a healthy reserve currently exists from which to draw any funds needed. TAM will be conducting a mid-year review in January 2007 to reconcile budgetary changes since the adoption of the FY 2006-07 Budget in the beginning of the fiscal year.

**Recommendation:** Staff recommends that the Board release for comment this amendment to the Strategic Plan's Revenue and Expenditure element at the Board's January 25, 2007 meeting and consider it for approval at the February 22, 2007 meeting, after adequately addressing any public comment.